

109TH CONGRESS
1ST SESSION

S. 1115

To amend the Internal Revenue Code of 1986 to allow Indian tribes to receive charitable contributions of inventory.

IN THE SENATE OF THE UNITED STATES

MAY 24, 2005

Ms. MURKOWSKI (for herself and Mr. JOHNSON) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow Indian tribes to receive charitable contributions of inventory.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CHARITABLE CONTRIBUTIONS OF INVENTORY**

4 **TO INDIAN TRIBES .**

5 (a) IN GENERAL.—Section 170(e)(3) of the Internal
6 Revenue Code of 1986 (relating to special rule for con-
7 tributions of inventory and other property) is amended by
8 adding at the end the following new subparagraph:

9 “(D) SPECIAL RULE FOR INDIAN

10 TRIBES.—

1 “(i) IN GENERAL.—For purposes of
2 this paragraph, an Indian tribe (as defined
3 in section 7871(c)(3)(E)(ii)) shall be treat-
4 ed as an organization eligible to be a donee
5 under subparagraph (A).

6 “(ii) USE OF PROPERTY.—For pur-
7 poses of subparagraph (A)(i), if the use of
8 the property donated is related to the exer-
9 cise of an essential governmental function
10 of the Indian tribal government (within the
11 meaning of section 7871), such use shall
12 be treated as related to the purpose or
13 function constituting the basis for the or-
14 ganization’s exemption.”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 this section shall apply to taxable years beginning after
17 December 31, 2005.

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